

**YASKAWA AMERICA INC, MOTOMAN ROBOTICS DIV. PURCHASE ORDER INSTRUCTIONS, TERMS AND CONDITIONS**

1. **Shipping Instructions:** Bills of Lading must accompany notices of shipping. Seller must follow Motoman Robotics shipping instructions and show Motoman Robotics purchase order number and shipping instructions on each invoice; package and shipping documents and any charges due to failure to comply, or charges for express or air shipments required because Seller is behind schedule must be borne by Seller. A packing list enumerating contents must be sent with each package. Motoman, Inc.'s count or weight will be accepted as final and conclusive on all shipments. Proper packaging must be used on all shipments to Motoman Robotics per general acceptable guidelines and per specific guidelines set forth in (PURP-036).
2. **Terms:** This order must not be priced higher than last quoted or charged to Motoman Robotics unless otherwise agreed in writing. Acceptance is expressly limited to these Terms and Conditions. No conditions imposed by the Seller in any quotation, or acknowledgment of this order, or which seek to modify, supercede supplement or otherwise alter these Terms and Conditions will be binding upon Motoman Robotics unless accepted in writing by an authorized representative of Motoman Robotics.
3. **Intellectual Property:** The Seller expressly warrants that all Products or Services covered by each order will not and do not infringe upon any patent, trademark, copyright or other intellectual property of any third party. Seller agrees to defend, hold harmless and indemnify MOTOMAN ROBOTICS and its affiliates, successors or assigns, from all costs, expenses, suits (including legal fees and expenses of expert witnesses, court costs and the like), damages or claims arising out of any actual or alleged direct or contributory infringement of any patent rights, trademark, copyright or other proprietary rights based on the sale or use of items covered by this order.

If Seller receives notice of any such claim of infringement or violation of Intellectual Property Rights of a third party on Products or Services that they have supplied to Motoman Robotics. Seller shall, at its sole expense: (a) procure for Motoman Robotics and its Affiliates the right to continue using the Product; or (b) replace or modify the Product so that no infringement or other violation of Intellectual Property Rights occurs; if Motoman Robotics determines that: (1) such replaced or modified Product will operate in all material respects in conformity with the then-current specifications for the Product; and (2) Motoman Robotics and its Affiliates' use of the Product is uninterrupted and the performance of the Product is not impaired thereby. Seller's obligations under this Agreement will continue with respect to the replaced or modified Product as if it were the original Product. If such replaced or modified Product will not operate in all material respects of the originally ordered Product, Motoman Robotics may at its reasonable discretion may return the Product, in which case Seller will refund to Motoman Robotics the entire purchase price as well as costs and losses incurred by Motoman Robotics as a result of having cease use of, and return the Product.

Seller agrees that any patentable or copyrightable products developed by Seller at the request of Motoman Robotics in furtherance of this Purchase Order, will be the sole and exclusive property of Motoman Robotics. Seller and Seller's employees, consultants and subcontractors will execute such documents as may be reasonably necessary or required for Motoman Robotics to establish its ownership rights in such products as well as the right to obtain a patent or copyright with respect to the products.

4. **Acceptance:** Prepayment of Seller's invoice to secure cash discount will not constitute acceptance of the ordered goods. The acceptance of all material purchased is subject to approval when inspection is completed by Motoman Robotics regardless of when such inspection occurs, Seller waiving any requirement that inspection occur within a reasonable time after delivery. Goods rejected as not conforming to this purchase order or as exceeding the quantity ordered shall be returned at the Seller's expense, including transportation and handling costs. All costs relevant to sorting and or reworking of nonconforming parts will be at Seller's expense.
5. **Title and Liens:** Seller expressly warrants that upon delivery of Product, Seller shall pass to Motoman Robotics good and marketable title to the Product free and clear of all liens, claims, security interests, pledges, charges, mortgages or other encumbrances of any kind.
6. **Assignment:** This order is not assignable without the written consent of Motoman Robotics.
7. **Changes:** Motoman Robotics shall have the right to make changes in this order relating to product testing, design specifications, quantity, quality, packing, shipping destination, and delivery schedule. Seller shall notify Motoman Robotics within 48 hours of any increases or decreases in cost caused by such changes and shall suggest an equitable adjustment in prices or other pertinent terms for Motoman Robotics. In consideration, Motoman Robotics shall also have the right to cancel this order, without penalty, if not filled in accordance with the terms hereof.
8. **Warranty:** Seller expressly represents, warrants and agrees that all materials, service, or work covered by this order will: (a) conform in all respects to specifications, drawings, samples, or other descriptions, furnished by Motoman Robotics.; (b) be of merchantable quality, of good workmanship, and free of defects; and (c) be fit for the purposes intended by Motoman Robotics. These warranties are in addition to any and all warranties implied by law.
9. **Indemnity:** If the Seller or any of its employees, directors, subcontractors, or agents, perform any work under this purchase order on Motoman Robotics premises, Seller warrants and agrees that it shall be responsible for injuries or damages to persons or property arising out of or in any way connected with the performance of such work or the malfunctioning of such equipment, and agrees to defend and save Motoman Robotics harmless from any and all claims or demands arising there from. Seller is responsible for maintaining appropriate Worker's Compensation Insurance for such individuals and warrants to Motoman Robotics that it has adequate Worker's Compensation coverage and will at all times during the execution of the Purchase order maintain adequate Worker's Compensation coverage.

Seller agrees to indemnify, defend, and hold harmless Motoman Robotics and it affiliates, or users of its products, for any and all injuries, damages, losses, damages or claims for expenditures which are incurred, including loss of production time arising

as a result of the sale or use of the materials, and service or work covered by this order and arising out of the breach of any representation, warranty, covenant or other obligation or agreement contained herein.

In addition to all other rights that Motoman Robotics may have arising from Seller's breach of warranty, representations or agreements hereunder, Motoman Robotics retains the right in such event to cancel this order either before or after delivery in whole or in part, and to return the goods to the Seller and receive a full refund of the purchase price, including all freight and packing and shipping charges.

In addition to all other rights that Motoman Robotics may have arising from Seller's breach of warranty, representations or agreements hereunder, Motoman Robotics retains the right in such event to cancel this order either before or after delivery in whole or in part, and to return the goods to the Seller and receive a full refund of the purchase price, including all freight, packing and shipping charges, and any/all costs incurred.

10. **Deliveries:** Motoman Robotics production schedules are based upon agreement that materials will be delivered to the requested destination by the date specified on the face of the Purchase Order. Time is therefore of the essence of this purchase order. If deliveries are not made at the time agreed upon, or if, upon the earliest possible written notification by Seller that delivery cannot be met and Motoman Robotics has not agreed to an extension of time for delivery, Motoman Robotics may exercise the right to cancel this purchase order and buy elsewhere, holding the Seller fully accountable for any increased costs.
11. **Supplementary Information:** Any specifications, drawings, notes, instructions, engineering notes or technical data attached to this purchase order, or otherwise delivered to Seller, shall be deemed to be incorporated herein by reference as if fully set forth. In case of any discrepancies or questions, Seller shall obtain clarifications or instructions from Motoman Robotics before proceeding.  
  
Motoman Robotics shall at times have title to all drawings, specifications and other information furnished by it to the Seller for use in connection with this purchase order, and Seller shall not disclose the contents of the same to any person, firm or corporation other than Motoman Robotics or Seller's employees, subcontractors, or government inspectors on a strict need-to-know basis. The Seller shall, upon request or upon completion of this purchase order promptly return all drawings, specifications and other information to Motoman Robotics.
12. **Bankruptcy:** In the event of any proceedings, voluntary or involuntary, in bankruptcy or insolvency by or against the Seller or in the event, with or without Seller's consent, of an assignment for the benefit of Seller's creditors or of a receiver for Seller, Motoman Robotics shall be entitled to cancel any unfilled part of this purchase order without any further liability whatsoever.
13. **Force Majeure:** Motoman Robotics reserves the right to cancel this order, or any part thereof, at any time, in the event of fire, flood, strike, acts of God, or other cause or event of a similar nature beyond its reasonable control.
14. **Audit:** Motoman Robotics shall have permission to audit Seller's quality control records and procedures with respect to this order to comply with its customers' requirements and to ensure Seller's performance.
15. **Government Regulations:** Seller shall comply with and be bound by all of the statutes, ordinances, regulations, rules, interpretations, decisions, orders and directions of Federal, State and Municipal governments and agencies, whether or not specifically referenced herein applicable to the goods ordered, Buyer's requirements for the goods or Seller's performance. Motoman Robotics shall make every effort to apprise Seller of any special regulations which attach to the performance of Seller under this Purchase Order, but the Seller is solely responsible for compliance with all those government regulations which apply, including, but not limited to, the following:
  - a) The Walsh Healy Public Contract Act; b) Executive Order 11246, relating to equal employment opportunity.All Government orders in excess of \$10,000 must have a separate certification from the Seller in the form of attachment B to this order.
16. **Commitments:** All procurement commitments obligating Motoman Robotics can only be authorized by a Motoman Robotics Purchasing employee.
17. **Severability:** If any provision of this Purchase Order is found to be illegal, invalid or unenforceable, the remaining provisions will remain in full force and effect.
18. **Governing Law:** This purchase order and the validity, construction and interpretation of all documents relating to this purchases, shall be interpreted in accordance with the laws of the State of Ohio, United States of America.
19. **Mediation / Arbitration:** Any controversy arising out of the interpretation or performance of this Purchase Order shall first be submitted to mediation in Dayton, Ohio, to a single mediator. If such dispute subject to mediation is not resolved by mediation, it shall then be submitted to Arbitration in Dayton, Ohio according to the Commercial Arbitration Rules of the American Arbitration Association before three (3) arbitrators, unless the parties mutually agree in writing on a lesser number. The decision of the arbitrators shall be final and binding upon the Seller and Motoman Robotics. Not with standing anything to the contrary, Motoman Robotics shall have the right, without waving any remedy under the order, to seek from any court of competent jurisdiction (a) equitable relief and (b) any interim or provisional relief that is necessary to protect its rights or property.
20. **Equal Employment Opportunity (EEO) Clause:** Motoman Robotics Division has and aggressively supports an Affirmative Action Program. Motoman Robotics Division expects all of its suppliers to follow the same moral principles as mandated by government regulations. Motoman Robotics Division affirmatively supports the equal employment development and promotional opportunity for qualified minorities, females, handicapped, and veterans.

Motoman Robotics Division is a federal contractor and complies with the following affirmative regulations:

**This contractor and subcontractor shall abide by the requirements of 41 CFR 60-1.4(a), 60-300.5(a), and 60-741.5(a) and the posting requirements of 29 CFR Part 471, Appendix A to subpart A. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin, or for inquiring about, discussing, or disclosing information about compensation. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability.**